

GENERAL TERMS AND CONDITIONS FOR DELIVERIES, WORK AND SERVICES ("GTC") FOR Muehlbauer Technologies s.r.o. registered in the Commercial Register of the District Court Nitra, Section Sro, File No. 20641/N, Identification No. 36 725 323, having its registered office at Novozámocká 233, 94905 Nitra, Slovak Republic

Definitions

In these GTC, "Seller" means Muehlbauer Technologies s.r.o. and its affiliates; "Buyer" means the person, firm, company or corporation by whom the order is given; "Contract" means the written agreement (including these GTC) made between Buyer and the Seller for the supply of the goods and/or provision of services; "Commercial Code" means the Slovak Commercial Code, Act No. 513/1991 Coll. as amended; "Code of Civil Proceedings" means the Slovak Code of Civil Proceedings, Act No. 99/1963 Coll. as amended; "Act on Product Liability" means the Slovak Act on Liability for Damages caused by Defective Goods, Act No. 294/1999 Coll. as amended; "Data Protection Act" means Slovak Act on Personal Data Protection, Act No. 428/2002 Coll. as amended.

I. General

1. The GTC are valid for all the Seller's consultations, offers, sales, deliveries and services and all current and future contractual relationship between Seller, its affiliates and its Buyer. Conditions for purchasing of the Buyer, which are completely or partly contrary to the GTC or to the general legal regulations, are hereby expressly disagreed. The GTC will also become an integral part of the Contract, if the Seller carries out the deliveries or services in the awareness of regulations to the contrary without reservations. The GTC shall apply to all future business relations, even if they are not explicitly remade again and as far as the Buyer has known them or ought to have known due to a previous business relationship. For the scope of the deliveries or services the bilateral consistent written declarations shall apply.
2. Verbal subsidiary agreements deriving from the GTC do not exist. Agreements, particularly with the Seller's representatives, deviating from the GTC in individual cases must be made in writing and are only binding with written confirmation by the statutory representative of the Seller.

II. Offer and conclusion of the Contract

1. Offers of the Seller are always without engagement, i. e. they merely constitute a request to the Buyer to give a legally binding offer. Contracts, even those at trade fairs or by our appointees, only are entered in accordance with Seller's written confirmation of order and its receipt by the Buyer. Seller's advertising documents, brochures and information provided therein are not legally binding and, in particular, are subject to modifications and errors.
2. Seller reserves the title and copyright for figures, drawings and calculations as well as for other documents. This also applies to those written documents, which are referred to as confidential. Prior to its transfer to a third person, the Buyer has to obtain the Seller's written confirmation and the documents have to be returned upon request to the Seller.
3. The condition of the subject of the Contract is exclusively described in the Seller's offers, confirmation of orders and the documents pertinent to them.

III. Deliveries and terms of delivery

1. Seller cannot be held responsible for delays, if the Buyer does not or not in time fulfils its obligation to cooperate, particularly taking care of magisterial authorization, implementation plans, documents for specification of the subject of the contract, clarification of all technical details, payment securities and down payments. If these obligations are not fulfilled in time, the delivery times will be extended accordingly plus an adequate starting time, unless the Seller is responsible for the delay.
2. If, after conclusion of the Contract, there are any indications that the rating of the Buyer is endangered, e.g. default of payment, suspension of payment, request for insolvency proceedings, chattel mortgage of current assets, unfavorable information of banking establishments, credit institutions or credit insurers, the Seller will be entitled to refuse its services and to withdraw from the Contract and/or to claim damages after unsuccessful appointment of a date for providing security in form of directly enforceable bank guarantee or advance payment. The appointment of a date will be omitted if the endangerment of the rating is evident.
3. Binding delivery dates have to be agreed upon always in written form. In case of separable deliveries the Seller is entitled to a partial delivery and in case of corresponding information to early deliveries.
4. In case of call orders, an adequate delivery date is deemed to be agreed, which is at least six (6) weeks from the date of the call order. In case manufacturing or acceptance dates are not agreed, the Seller can ask for a binding fixing of it at the latest three (3) months after confirmation of order. If the Buyer does not comply with Seller's request within two (2) weeks after posting a written notice concerning this matter, Seller will be entitled to set an additional respite of one (1) week and after unsuccessful expiration of that period Seller will be entitled to claim damages and/or to withdraw from that part of the Contract which has not been fulfilled. The same applies when, after expiry of the delivery date,

the subject of the Contract or parts thereof have not been received or have not been delivered due to a default of the Buyer.

5. Delays, arising out of the acceptance delays of the performed work at the agreed date on Buyers side have to be notified to the Seller at least one (1) week before the agreed date. In case the Buyer defaults acceptance or culpably breaches other duties of co-operation, the Seller shall be entitled to claim for damages caused thereby, including potential additional costs. Further claims or rights shall remain reserved.
6. As far as circumstances, not caused by the Seller, complicate, delay or make the fulfillment of orders taken impossible (Force Majeure), Seller is entitled to postpone the delivery as the case may be the partial delivery or outstanding delivery for a period equal to the period of the obstruction or to withdraw fully or partly from the Contract without being in default with the particular delivery. Force Majeure includes particularly e. g. magisterial intervention, refusal of necessary export approvals, war, revolt, terrorism, governmental acts, business disruption, strikes, lock out, epidemics, interruption of work due to political or economic affairs, shortage of essential raw or working materials, shortage in materials, difficulties with the energy supply, transport delay due to traffic congestion, power failure, acts of god or an inevitable event which affect the Seller, his subcontractors or foreign companies, of which the operations of the plant of the Seller is depending on. The antecedent is also valid if such events occur at a moment at which the Seller is in default. The Seller shall have the same rights if goods required for the order are not available, as the Seller has not been delivered by their subcontractors, although the Seller has concluded a matching cover transaction and the Seller is not otherwise guilty on this. The Seller shall be obligated to inform the Buyer when one of the above-mentioned circumstances occurs, and, in case of withdrawal, to reimburse without delay any considerations already made by the Buyer.
7. Buyer only can set an additional respite for delivery, if the agreed delivery date has been exceeded by more than two (2) weeks. This additional respite has to be adequate and last at least three (3) weeks. After unsuccessful expiry of the additional respite the Buyer is entitled to withdraw from the Contract. Any claim for damages against the Seller due to breach of duty shall be excluded within the scope of fig. IX.

IV. Prices and payment terms

1. Seller's prices for delivery are "ex works" EXW pursuant to INCOTERMS 2020, exclusive packaging, shipping costs and all taxes, duties or levies payable under applicable law, unless otherwise agreed. The Buyer is obligated to pay or reimburse the taxes, duties or levies that are imposed on the Seller or his subcontractors.
2. If, after conclusion of the Contract, any changes of the calculation base arise from higher labor and material costs, increase of statutory VAT or other circumstances, particularly technical based change in calculation, the Seller will be entitled to increase the Contract price in an adequate percentage to the occurred change of the calculation base.
3. Unless otherwise agreed, invoices shall be paid due net in the agreed currency within fourteen (14) days from date of invoice. The legal regulations regarding the consequences of default in payment shall be applicable. In case of default in payment by the Buyer, the Seller shall be entitled to stop contractual services until the Buyer has settled the liabilities payable.
4. Partial deliveries are charged at once and each of them are payable separately, irrespective of the completion of the total delivery.
5. The Buyer only is entitled to charge up against the Seller, if the counterclaims are legally stated, undisputed or acknowledged by the Seller. Furthermore the Buyer is entitled to exercise a lien insofar as the counterclaim is based upon the same contractual relationship.

V. Retention of title

1. The goods remain property of the Seller until all claims against the Buyer out of the business relationship have been fulfilled. With the conclusion of the contract the Buyer authorizes the Seller, on Buyer's expense, to enter or announce the retention of title in the required form and in accordance with applicable national rules in public registers, books or similar documents. The Buyer is obliged to give the Seller any assistance to enable him to take all necessary measures to protect its property. If the Buyer acts contrary to contract, particularly in case of payment delay, the Seller is entitled to take back the goods. The Buyer is obliged to surrender. By taking back the goods the Seller does not cancel the Contract, unless the Seller would have made expressly a written declaration thereof. The distress of the goods by the Seller always means a cancellation of the Contract. After taking back the goods the Seller is entitled for resale. The revenue is to be deducted from the liabilities - less adequate handling charges - of the Buyer.
2. The Costumer is obligated to take care of the goods; particularly he is obligated to insure them sufficiently amounting to the replacement value at its own expense against water damages, fire losses and damages due to theft. Provided that maintenance and inspection operations are necessary, the Buyer has to carry them out in time and at its own

expense. A fundamental relocation of the goods requires the prior written consent of the Seller.

3. The Buyer is entitled to resell the goods in a regular course of business; the Buyer transfers to the Seller all claims amounting to the grand total of the invoice (including VAT), which arise from the resale against third parties, irrespective of whether the goods have been resold without or with modifications. The authorization for collection of receivables also exists after assignment. The Seller's authority to collect the claim by himself will remain unaffected thereof. But the Seller commits not to collect the claims if the Buyer fulfills its payment obligations with the collected sales revenues, the Buyer does not fall behind with payment and particularly, there is no request for insolvency, composition or bankruptcy proceedings or suspension of payment. In these cases, the Seller is entitled to request that the Buyer discloses the conveyed claims and whose debtors, gives all necessary information for collection, hands out all corresponding documents and notifies the assignment to the debtors (third parties).
4. The processing or transformation of the goods always is carried out on behalf of the Seller. If the goods are processed with items, which are not owned by the Seller, the Seller will acquire a co-ownership share concerning the new item proportional to the value of the goods (invoiced final amount, including VAT) to the other processed item at the date of processing. The afore said also apply for items resulting due to processing of the goods.

VI. Passing of the risk

1. The shipment of the goods is carried out by the Seller "ex Works" EXW (INCOTERMS 2020) at the risk of the Buyer. The same applies if the freight and other costs are at the expense of the Seller. The goods are insured by the Seller against transport damages only at the expressly written instruction and on account of the Buyer.
2. If pickup is agreed at the responsibility of the Buyer and not carried out within eight (8) days after the agreed date, the shipment will be carried out by the Seller for account of the Buyer using a type of shipment which seems to be economical to the Seller.
3. The risk passes with the handover of the customarily packaged goods to the Buyer, the first freight carrier or the forwarding agent. This also applies for separate partial deliveries and if the Seller has borne the forwarding charges.
4. If the shipment is delayed by request of the Buyer or in case of default of acceptance, the risk will pass with notice of readiness for shipment. In this case the storage of the goods is on behalf and at the expense of the Buyer.
5. Transport packaging, selling packaging, re-packaging and any other packaging according to the regulations about packaging will not be taken back, except pallets. The Buyer shall be obligated to arrange the disposal of the packaging at its own expense.

VII. Cooperation Obligations

1. The Buyer is always obligated to provide all necessary or required cooperation needed for proper realization of the Contract.
2. The Buyer is obligated to make available to the Seller all information, documents, data, specifications and materials pertaining to the order which are necessary for the successful realization of the hardware/software specifications. Furthermore, the Buyer is obligated to provide a suitable environment for the correct functionality of the hardware/software to be installed; this includes a suitable climate controlled indoor environment, a suitable electric power/compressed air supply and ventilation system, a proper environment for the software.
3. The Buyer is obligated to provide a Personal Computer with access to the internet and a telephone landline for the Seller's personnel performing installation, training and any subsequent service/maintenance/upgrades intervention within the scope of the warranty. If the Buyer does not purchase the hardware necessary to run the software supplied/sold by the Seller, the Buyer must provide the necessary hardware, free of charge, for the installation of the software. The Buyer is responsible for ensuring, that the hardware meets the requirements set forth and provided by the Seller for the installation of the hardware/software. The Buyer must appoint a contact person, who will be responsible for the project management at the Buyer's site. Software updates provided by the Seller must be installed by the Buyer without delay. The Buyer is also responsible for adequate backup of data.
4. The usage of the hardware/software shall be performed by the operators of the Buyer. The Buyer is responsible for the qualification and the quantity of his operators for the use of the purchased goods.
5. The Buyer is responsible for suitable quality assurance during production usage of the purchased good including but not limited to input control of utilized blank ID documents/consumables prior to usage of the purchased good and output control of produced material after usage of the purchased good.

VIII. Liability for defects

1. The Buyer has to inspect immediately the goods according to § 427 and § 428 of the Commercial Code and to give immediately after delivery and receipt of the goods a written notice to the Seller of any visible defects, particularly obvious ones. This obligation to give notice also applies if defects become visible at a later time. Giving notice shall be

regarded as immediately if it is performed within two weeks from the date of delivery of goods, with the timely sending of the notice being sufficient for fulfilling the time limit. If the Buyer fails to notify the Seller in due time in writing, the goods shall be considered accepted in relation to these defects. Any liability due to fraudulent conduct shall remain unaffected.

2. If the goods have defects, the Buyer will be entitled to choose supplementary performance in the form of a removal of defects or delivery of an object free of defects. Replaced, defective parts shall be returned to the Seller and become the property of the Seller. The Seller is entitled to refuse the manner of the chosen supplementary performance, if it only is possible with disproportional costs. Place of performance is the delivering factory in each case. For removal of defects it is to give reasonable time and opportunity to the Seller. The Buyer has to grant to the Seller access to the defective goods, including the disassembly and assembly, at the cost of the Buyer.
3. If the supplementary performance fails despite a repeated attempt, the Buyer will be entitled at its choice to require cancellation or reduction of the purchase price. The cancellation is excluded if the breach of duty by the Seller is insignificant.
4. The limitation period for claims due to defects is twelve (12) months, beginning from the delivery of the goods.
5. Operational life times for wear parts, such as cutting punches, stencils, milling cutters, bearings, consumables, metering devices and needles, contact equipment, etc. are binding only when they have been assured in writing. The Seller shall not be liable for defects caused by parts not supplied and delivered by him, modifications made without the written consent of the Seller, excessive strain, improper tools and material, faulty or negligent treatment, repairs carried out by the Buyer or third party in an inappropriate manner or for normal wear (especially wear & tear).

IX. Liability for damages

1. For damages to life, body and health, and in case of willful intent or gross negligence, the Seller shall be liable in accordance with statutory provisions.
2. For damages based on breach of fundamental contractual obligations due to slight negligence, the Seller shall be liable according to statutory provisions, but limited to the amount of the contractually typical damage foreseeable when the contract was concluded. Fundamental contractual duties are the fundamental obligations resulting from the contract, whose fulfillment allows the contract to be properly executed, whose infringement endangers the fulfillment of the purpose of the contract, and on the compliance of which the Buyer regularly relies and may rely. Claims for damages resulting from a breach of non-essential contractual duties in case of slight negligence shall be excluded.
3. The Seller shall not be liable for indirect damages (consequential damages) such as loss of production, loss of profit, recall costs, etc.
4. An extended liability for compensation as provided in this fig. IX is excluded, regardless of the character of the asserted claim. This is also valid to personal liability for damages of appointees, employees, assistants, agents and servants of the Seller.
5. As far as the UN Convention on Contracts for the International Sale of Goods (CISG) is applicable, the Seller shall be liable for damages only when being guilty in this respect. Other liabilities out of these GTC, Contract and legal provisions are not affected.

X. Intellectual property rights

1. The intellectual property rights concerning drafts, drawings, software, products, articles, equipment and any other new designed or developed items created by the Seller or by third parties instructed by the Seller, belong to the Seller, even if the Buyer has borne the expenses for this purpose.
2. The Buyer may use the provided drawings and plans from the Seller only for the intended purpose. The Buyer is not entitled to use the drawings and plans for any other purpose, particularly not for the reproduction of the supplies or parts of the supplies.
3. The Seller shall hold harmless, protect and indemnify the Buyer against any and all claims, costs, expenses or liability directly arising out of the alleged infringement or infringement of patent, copyright, trade secret rights in the Buyers' country and as a consequence of the use by the Buyer of the purchased goods in accordance with their technical specifications provided that the Buyer shall promptly notify the Seller in writing of any claim, that no claim may be made after a period of three (3) years from the date of delivery of the purchased goods giving rise to the claim, that the Buyer shall provide all information and give the Seller the opportunity to defend and settle under the responsibility of the Seller any lawsuit in this respect and that the Buyer itself shall refrain from making any admission, declaration or arrangement with the third party raising such claims. The Seller however is not liable for the infringement of intellectual property rights and other rights or patents, resulting from the Buyer's use of the goods against the instructions of the Seller. The same applies for infringements, which arise from process steps, used blank ID documents, unauthorized hardware/software modifications by the Buyer, the manufacture of end products outside the scope of intended purpose of goods as deemed appropriate/reasonable by the Seller and, but not exclusive, any type of criminal and/or illegal enterprise.

XI. Export Control

1. The legally binding conclusion of the Contract and Seller's obligation to fulfil the Contract is subject to the proviso that neither the conclusion nor the fulfillment is prevented by any impediment arising out of applicable national or international foreign trade and customs requirements or embargoes (or other sanctions).
2. The Buyer and the Seller must provide all information and documents necessary for the delivery (e.g. export, intra-community transfer, transfer (in-country), transit, import) and/or required by any competent authority or other state institution.
3. Delays due to export control inspections or official approval procedures shall invalidate deadlines and delivery times.
4. If the termination of the Contract is necessary to comply with national and international laws, the Seller is entitled to terminate the Contract without notice.
5. The Buyer shall not be entitled to claim damages or other rights for the non-conclusion of this Agreement or for any non-fulfillment or delayed fulfillment resulting from one of the above-mentioned impediments. In the event of termination, the claim for damages or other rights by the Buyer due to termination shall be excluded.

XII. Final Provisions

1. These GTC are governed by legal provisions valid and effective in Slovak republic.
2. The use and the collecting of personal data will be handled in compliance with the applicable data protection laws. The Seller reserves the right to use the Buyer's personal data, which the Seller has received due to the contractual negotiations or execution of the contract, for advertising purposes of the Mühlbauer Group, for example sending an email newsletter. The Buyer may object to this use for advertising purposes at any time by notice to the Seller and revoke their consent.
3. The assignment of claims against the Seller, to which the Buyer is entitled due to the business relation, shall be excluded.
4. Unless otherwise stipulated in the Seller's order confirmation, place of performance is the Seller's business location.
5. The relevant court determined provision of Act no. 160/2015 Coll. Civil Disputes Code shall be authorized to decide upon any claims arising out of the Contract and/or these GTC.
6. If one of the preceding conditions is ineffective, the effectiveness of the regulations about acceptance and the Contract for the rest will remain unaffected thereof. Any clauses, becoming ineffective, will be replaced by new clauses, which achieve the equal economic success. As far as clauses have not become an integral part of the Contract, the subject matter of Contract insofar acts in accordance with the legal regulations.